THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The issues of Master shares and Magnum certificates has been oversubscribed and the amount raised under these schemes is Rs. 158 crores and Rs. 144.68 crores respectively. Information regarding Canstock/Canshare is being collected and will be laid on the Table of the House.

(b) The applications received from rural and semi-urban areas for Mastershares and Magnum certificates are 59,462 and 20,500 respectively.

(c) Yes, Sir.

(d) Does not arise in view of reply to (c) above.

Funds for Telugu-Ganga Project

2767. SHRIMATI RENUKA CHOWDHURY: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Telugu-Ganga Project is starved for funds at present;

(b) whether the Government of India have been approached by the Andhra Pradesh Government in this regard;

(c) whether recently there have been talks between Andhra Pradesh Government and the Central Government for the provision of funds to cater to the needs of Telugu-Ganga Project; and

(d) the nature of decision taken by Central Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (d) At present, irrigation projects are funded from the State Plan resources.

Premium charged by LIC

2768. DR. BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the present premium charged by the Life Insurance Corporation is inclusive of income-tax paid by L.I.C. on surplus bonus;

(b) if so, whether the present premium's quantum of income tax is over Rs. 100/- crore per year;

(c) whether *this amount of premium* charged from policy holders who do not pay will be given benefit of the reduction of income tax quantum in their premium; and

(d) if so, by when Government propose to amend Sec. 44 (Schedule I) of the Income tax Act, 1961, Sec. 28 of the Life Insurance Corporation Act, 1961 and Sec. 13 (Schedule IV) of Insurance Act, 1938 to give effect to this reduction of premium amount?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir. The premium rates charged by LIC are based on estimates of future expected interest yield, mortality and expenses. LIC is being taxed on the surplus disclosed in its actuarial valuation and this surplus depends upon the actual experience of the LIC as against the assumptions made in the premium basis. Thus, there is no direct correlation between premium and surplus, and consequently between premium and income-tax.

(b) to (d) Do not arise.

River basin organisations

2769. SHRI B. SATYANARAYAN REDDY: Will the Minister of WATER RESOURCES be pleased to state what will be the functions of the proposed River Basin Organisations?